GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2893
ANSWERED ON:20.03.2017
Validity Period of SEZs
Mahtab Shri Bhartruhari

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the criterion being followed by the Government to extend the validity period of Special Economic Zones (SEZs) along with the number of SEZs given extension across the country during the last three years and the current year, State-wise;
(b) whether the cases of deviation from the said criterion in extension of validity period of SEZs have come to the notice of the Government during the said period; and
(c) if so, the details thereof, Statewise along with the reasons therefor and the action taken/being taken by the Government in such cases so far?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a): In terms of Rule 6(2)(a) of the Special Economic Zones Rules, 2006, the Letter of Approval granted to a SEZ developer is valid for a period of three years within which time effective steps are to be taken by the developer to implement the approved proposal. The Board of Approval (BoA) under Department of Commerce may, on an application by the developer, extend the validity period of the letter of approval. No specific criteria for allowing extension of validity of Letter of Approval is laid down in the SEZ Rules, 2006. However, the Board of Approvals considers factors like incremental investment made by the developer, physical progress in implementing the project and delays in obtaining clearances from statutory bodies and environmental clearance etc. while extending validity of Letter of Approval. Since the financial year 2012-2013 and the current financial year (upto 14th March, 2017), BoA has granted more time to 144 SEZ developers across the country to complete their projects. The State-wise details are at Annexure.

(b) & (c): In view of (a) above, question does not arise.

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Annexure

State-wise number of SEZs granted extension of validity period (July, 2012 to March, 2017)
State/UT Approvals
Gujarat 10
Haryana 13
Jharkhand 1
Karnataka 13
Kerala 12
Madhya Pradesh 8
Maharashtra 26
Nagaland 2
Andhra Pradesh (including Telangana) 18
Odisha 8
Tamil Nadu 21
Uttar Pradesh 5
West Bengal 5
Rajasthan 2
Manipur 1
GRAND TOTAL 144
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